

December 8, 2017

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Connect America Fund*, WC Docket No. 10-90

Dear Ms. Dortch:

We are rural telecommunications carriers that elected the revised offer of Alternative Connect America Model (A-CAM) support in Virginia. We urge the Federal Communications Commission to take action before the end of this year to authorize additional A-CAM funding up to \$200/month per eligible customer location to provide broadband connectivity to rural Virginians. Such funding will help close the digital divide in Virginia, creating new opportunities for jobs, education, healthcare, and economic development in the state.

It is vitally important to make a decision before the end of 2017. We made commitments to deploy broadband to additional locations if the FCC authorized such funding by December 31, 2017. It would be inefficient to postpone action and allocate funding at a future date, because we then would have to re-engineer our network upgrade plans. We are already upgrading network infrastructure in our communities and stand ready to extend those network to reach additional customers.

Under the FCC's prior decision, we would be subject to concrete, measurable broadband obligations if we receive additional support. Additional funding of up to \$200/month per location would result in a 6.4% increase in the number of rural customers in Virginia gaining access to a minimum of 25/3 Mbps broadband service and an 11.3% increase in the number of rural customers that would have access to broadband service of at least 10/1 Mbps. The number of A-CAM funded locations that would remain on "reasonable request" in Virginia would decrease by 53% if funding were increased to this level.

Allocating additional A-CAM funding to further extend broadband in our communities would result in demonstrable economic and social benefits. The Appalachian Regional Commission (ARC) recently completed a 5-year strategic plan of action to advance its vision of a more prosperous Appalachia; one of the priorities identified was broadband. The ARC identified the following key findings:

At the Macro Level:

- *Increasing broadband access 10 percentage points increases Gross Domestic Product 1 percent*
- *Doubling broadband speeds for an economy can add 0.3 percent to GDP growth*
- *80 new jobs are created for every additional 1,000 broadband users*

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- *The benefits of faster broadband can be categorized as:*
 - *Economic effects, including increased innovation and productivity in business*
 - *Social effects, including better access to services and improved healthcare*
 - *Environmental effects, including more efficient energy consumption.*

At the household level:

- *Broadband access affects development: Gaining 4 Mbps of broadband increases household income by \$2,100 per year*
- *Broadband speed upgrades affect development: Upgrading from 0.5 Mbps to 4 Mbps increases income by around \$322 per month*
- *Online job searches result in re-employment 25 percent faster than traditional searches*
- *Broadband is associated with higher employment rates in rural counties.*

These findings underscore the importance of making it possible for Virginia companies to reach additional customers through the A-CAM plan.

We urge the Commission to act by the end of this year to allocate additional funding to carry out its original decision to provide A-CAM funding for up to \$200/month per eligible location.

Sincerely,

Ruth Newman
Co-General Manager
Highland Telephone Company

Highland Telephone Company
Amelia Telephone Company
Virginia Telephone Company

MGW Telephone Company
New Castle Telephone Company

cc: Chairman Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O’Rielly
Commissioner Jessica Rosenworcel
Commissioner Brendan Carr